

SA2006RF0010

January 9, 2006

**VIA MESSENGER**

Office of the Attorney General  
1300 "I" Street  
Sacramento, CA 95814

Attention: Tricia Knight

**RECEIVED**  
JAN 10 2006

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Re: *Safe Homes of California Act of 2006*

Dear Ms. Knight:

Pursuant to Elections Code section 9002, we request that the Attorney General prepare a title and summary of a measure entitled the "Safe Homes of California Act of 2006." The text of the measure, a check for \$200.00 and the address at which we are registered to vote are enclosed.

Please direct all correspondence and inquiries regarding this measure to:

James C. Harrison  
Roberta B. Johansen  
Remcho, Johansen & Purcell  
201 Dolores Avenue  
San Leandro, CA 94577  
Phone: (510) 346-6200  
FAX: (510) 346-6201

Sincerely,

James C. Harrison

Roberta B. Johansen

**SAFE HOMES CALIFORNIA ACT OF 2006**

**SECTION 1. TITLE.**

This measure shall be known as the “Safe Homes California Act of 2006.”

**SECTION 2. FINDINGS AND DECLARATIONS.**

The people of California find and declare the following:

- A. The requirements of the building code are intended to protect the health, safety, and welfare of the public.
- B. Failure to conform to the requirements of the building code can cause significant loss of property, personal injuries, and in some cases, loss of life.

**SECTION 3. PURPOSE AND INTENT.**

It is the intent of the people of California in enacting this measure to:

- A. Encourage builders to comply with minimum codes, regulations, and ordinances in the construction of residential housing projects.
- B. Ensure that builders who repeatedly fail to conform to minimum code requirements and whose defective construction causes substantial property losses are not permitted to conduct construction, sales or marketing activities for a substantial period of time in California.

**SECTION 4. Article 7.1 is hereby added to Chapter 9 of Division 3 of the Business and Professions Code, commencing with Section 7124.7, to read:**

**ARTICLE 7.1. WILLFUL NONCOMPLIANCE WITH BUILDING REQUIREMENTS; SUSPENSION OF CONTRACTOR'S LICENSE**

*Section 7124.7. Definitions. As used in this Article:*

*(a) “Builder” means any entity or individual, including but not limited to a builder, developer, general contractor, or contractor involved in the construction, marketing or sale of residential housing, and any of its affiliates, principals, parents, subsidiaries, partners, members, successors, and assigns. “Builder” does not include any entity or individual whose involvement with the construction, marketing or sale of residential housing is limited to its capacity as general contractor or contractor and who is not a principal, parent, subsidiary, partner, member, successor, assign, or otherwise similarly affiliated with the builder. For purposes of this article, these nonaffiliated general contractors and nonaffiliated contractors shall be treated the same as subcontractors, material suppliers, individual product manufacturers, and design professionals.*

*(b) "Homeowner" means any individual owner of a single-family home, individual unit owner of an attached dwelling and, in the case of a common interest development, any association as defined in subdivision (a) of Civil Code Section 1351.*

*Section 7124.8. Noncompliance With Building Requirements; Suspension Of Contractor's License*

*(a) Any builder who, two or more times within any three-year period, is found either in a court proceeding, other adjudicative proceeding, administrative procedure, or alternative forum to have intentionally, willfully, or recklessly failed to comply with any applicable building code, regulation or ordinance and whose defective construction results in a judgment or award in excess of one hundred thousand dollars (\$100,000) for any homeowner shall have its contractor's license suspended for a five-year period and shall be prohibited from engaging in any construction, marketing, or sales of residential housing for such period.*

*(b) The suspension in subdivision (a) shall apply to all contractor's licenses held by the builder and any of its affiliates, principals, parents, subsidiaries, partners, members, successors, and assigns.*

**SECTION 5. AMENDMENT.**

This Act may be amended to carry out its purpose and intent by statutes approved by a two-thirds vote of each house of the Legislature and signed by the Governor.

**SECTION 6. CONFLICTING INITIATIVES.**

In the event that this measure and another initiative measure or measures that involve construction defect actions shall appear on the same statewide election ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other measure shall be null and void.